## **REMARKS**

Claims 1-13 remain in the application, various claims having been amended to more clearly define the invention. Reconsideration of the application and allowance of all claims are respectfully requested in view of the above amendments and the following remarks.

The Abstract has been amended to comply with formal requirements.

Claims 1, 2, 4-6 and 8-13 stand rejected under 35 USC 103(a) as unpatentable over Bize (USP 5,926,537). This rejection is respectfully traversed.

The present invention provides preferential call setup by permanently reserving at least one circuit segment on each trunk for preferred users and then dynamically allocating the reserved segments to preferred users. This is neither shown nor suggested in Birze.

Birze teaches, as can be seen from the Abstract, an arrangement whereby the called terminal sends back a ring tone indicating the type of terminal it is (e.g., business, residential, cellular, wireline), and the calling party receives this ring tone and has the option of hanging up before the called party answers. As described at the top of column 5, upon making a determination as to the type of terminal being called, the terminating exchange sends a signal 150 back to the calling exchange, and then must wait for a response from the calling exchange. Lines 31-41 of column 5, cited by the examiner in support of the rejection, describe that in order to prevent someone from seizing the called party while it is waiting for a reply to the signal 150, the called party is marked as "busy", thus essentially setting aside the called party and the line associated with that called party. However, this is far different from reserving a set of lines ahead of time for preferred users as in the present invention.

First of all, it is noted that the segments to be permanently reserved are segments between nodes. The examiner has not pointed to anything in Birze which would correspond to two nodes between which a segment has been reserved. Birze simply marks a terminal as "busy," and this will set aside the terminal and the line from the switch to that terminal, but there is no reason to assume it would result in the setting aside of segments between two switching nodes.

Further, the examiner has equated the claimed "permanently reserving" step with the operation in Birze whereby a trunk is actually seized during the initial stages of call setup, but this is not the claimed permanent reservation of a circuit segment. This is a temporary seizure of one or more circuit segments. The examiner has himself noted that the line Birze "reserves" will be eleased at the end of the call before it is then (according to the examiner) dynamically allocated. This is not permanent in the context of the claimed invention. There must be some steady state of "reserved" that exists prior to any call being set up. Note that the claim language requires the dynamic allocation of circuit segments needed to set up a call in the event of a call setup request, and then recites that the circuit segments being dynamically allocated are "reserved segments," which inherently requires that the "reserved" state of the circuit segment exists prior to a call setup request and still exist at the time of allocation.

In Birze as read by the examiner, the "reserved" status of a segment only comes into existence after a call setup request. Even more importantly however, the claim specifically requires dynamic allocation of the reserved segments, and Birze does not teach dynamic allocation. The examiner acknowledges this, and then argues that after a seized circuit segment

is released, it may be dynamically allocated. But at this point in time it is not a reserved segment and therefore the language of claim 1 is not satisfied.

Claim 5 distinguishes over Birze for the same reasons as claims 1, 2 and 4.

Claims 9 and 11 describe the permanent reserving which is not met by the temporary seizure of a segment as in Birze. Further, these claims recite the permanent reserving of segments between two switching nodes. The examiner has not identified the two switching nodes in Birze that would correspond to those referred to in the claims, but it is again noted that the "reservation" relied on by the examiner is simply the making of a particular terminal as "busy". This would at best result in the setting aside of the terminal and the line from the switching node to that terminal, but does not involve reservation of segments between two switching nodes.

Claim 12 describes a plurality of segments between two switching nodes, and the provision of different levels of access to those segments. Birze does not teach this, and the reservation of a line from a switch to a user terminal is not the same, since there are not plural segments between the switch and the terminal no is the terminal a switching node.

In rejecting claims 3 and 7, the examiner has additionally relied on Bressler, but Bressler does not teach the features described above as missing from Birze in the context of the above-discussed rejection.

In view of the above, reconsideration and allowance of this application are now believed to be in order, and such actions are hereby solicited. If any points remain in issue which the

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Examiner feels may be best resolved through a personal or telephone interview, the Examiner is kindly requested to contact the undersigned at the telephone number listed below.

The USPTO is directed and authorized to charge all required fees, except for the Issue Fee and the Publication Fee, to Deposit Account No. 19-4880. Please also credit any overpayments to said Deposit Account.

Respectfully submitted,

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